

# Compensation Report

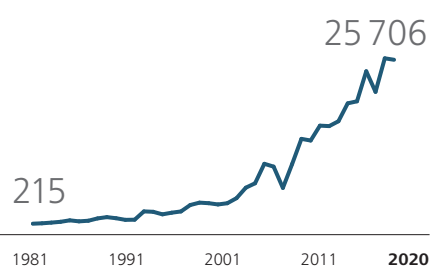
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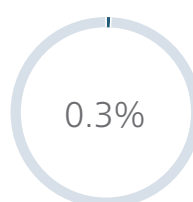
## Market capitalization

In CHF million as of December 31

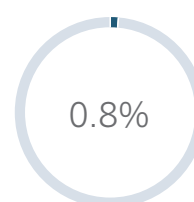


## Total compensation<sup>1</sup>

Share of Group operating expenses



Share of Group personnel expenses



<sup>1</sup> Members of the Board of Directors and Group Executive Committee

## Proposals to the General Meeting of Shareholders 2021

In CHF 1 000

### Fixed compensation

Board of Directors	Group Executive Committee
7 000	11 600

### Variable compensation

Board of Directors <sup>1</sup>	Group Executive Committee
4 632	11 255

<sup>1</sup> Executive members only

This Compensation Report contains information about the compensation of the members of the Board of Directors and the Group Executive Committee, as well as their shareholdings in Schindler Holding Ltd., and any loans granted to these individuals. The disclosures are made in accordance with the Directive on Information Relating to Corporate Governance issued by the SIX Swiss Exchange and the Ordinance Against Excessive Compensation in Stock Exchange Listed Companies (VegÜV). The information relates to the reporting year 2020 unless otherwise stated.

## 1 Compensation governance

### 1.1 Responsibilities and determination process

The compensation system and the capital participation plans are defined by Corporate Human Resources and are reviewed by the CEO, the Supervisory and Strategy Committee, and the Compensation Committee before being submitted to the Board of Directors for approval.

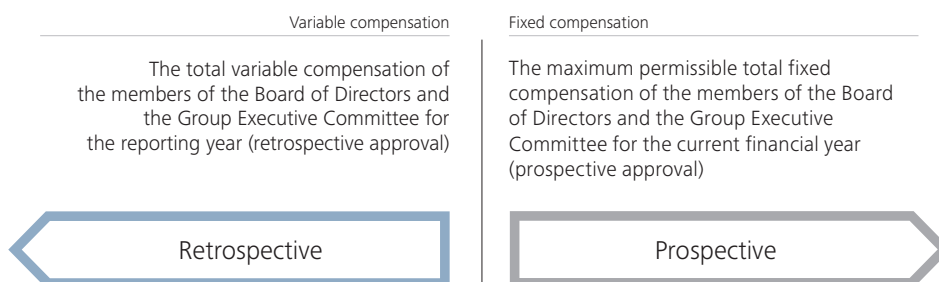
The responsibilities related to compensation matters at the level of the Board of Directors and the Group Executive Committee are defined in the Articles of Association and the Organizational Regulations. The most important functions and responsibilities in this context are summarized in the following table:

	Beneficiaries									
	Chairman of the Board of Directors		Executive members of the Board of Directors		Nonexecutive members of the Board of Directors			CEO	Members of the Group Executive Committee (excl. CEO)	
	Fixed and target compensation	Variable compensation	Fixed and target compensation	Variable compensation	Fixed compensation	Fixed and target compensation	Variable compensation	Fixed and target compensation	Variable compensation	
Compensation Committee	●	●	●	●	●	●	●	●	●	● <sup>1</sup>
Chairman of the Board of Directors			●	●	●	●	●	●	●	●
CEO								●		●
Board of Directors	●	●	●	●	●	●	●	●	●	● <sup>1</sup>

● Proposal  
● Decision  
<sup>1</sup> Aggregate amount

The members of the Supervisory and Strategy Committee are not allowed to participate in the decision-making regarding their fixed and variable compensation.

In accordance with the Ordinance Against Excessive Compensation in Stock Exchange Listed Companies (VegüV) and Article 32 of the Articles of Association of Schindler Holding Ltd., the General Meeting of Shareholders votes annually on the total compensation of the Board of Directors and the Group Executive Committee to approve:



According to Article 32 of the Articles of Association of Schindler Holding Ltd., the maximum permissible fixed compensation may be increased by 20% if, following the approval of the fixed compensation, additional members or replacement members are appointed to the Group Executive Committee.

Corporate Human Resources regularly compares the compensation of the members of the Group Executive Committee and the members of the Supervisory and Strategy Committee with external benchmarks. The results of such benchmarking analyses are discussed with the Compensation Committee and are used as the basis for the proposals to the Board of Directors regarding fixed and target compensation for the Group Executive Committee and the Supervisory and Strategy Committee members. A benchmarking analysis was last conducted in 2018.

**1.2 Compensation Committee**

The Compensation Committee holds at least two meetings per year. In the reporting year, it met five times. For details of the composition as well as the roles and responsibilities of the Compensation Committee, refer to the Corporate Governance Report, section 3.5.2 and 3.5.2.3.

**2 Compensation principles**

**2.1 Compensation policy**

The Schindler Group’s success depends to a large extent on the quality and commitment of its management. Its compensation policy is designed to attract, motivate, and retain well-qualified professionals. In addition, the awarding of performance-related and, in particular, share-based components of variable compensation is intended to promote an entrepreneurial mindset and approach.

Performance-related compensation in line with market	Participation in the company’s success
<b>Schindler compensation policy</b>	
Fair and transparent compensation decisions	Balanced proportion of short-term and long-term compensation components

**2.2 Overview of compensation components**

In accordance with Article 33 of the Articles of Association of Schindler Holding Ltd., fixed and variable compensation can be paid to members of the Board of Directors and the Group Executive Committee. Compensation can be paid in the form of cash, shares, other equity instruments, options, comparable instruments, or units. In addition, noncash benefits or services can be provided. For further details, refer to Article 33 of the Articles of Association ([www.schindler.com/com/internet/en/about-schindler/corporate-governance/articles-of-association.html](http://www.schindler.com/com/internet/en/about-schindler/corporate-governance/articles-of-association.html)).

An overview of the compensation components of the Board of Directors and the Group Executive Committee is provided below. The compensation components are described in detail in sections 3 and 4 of this report.

	Board of Directors		Group Executive Committee
	Executive members	Non-executive members	
<b>Fixed compensation – prospective approval</b>			
<b>Cash (gross)</b>			
Annual salary	●		●
Fixed Board of Directors' fee	●	●	
Flat-rate expense allowances			
Flat-rate allowance	●	●	
Representation allowance	●		●
Car allowance	●		●
<b>Pension, social, and other benefits</b>			
Pension benefits			
Pension fund	●		●
Schindler Foundation	●		●
Social contributions	●	●	●
Other benefits	●		●
<b>Variable compensation – retrospective approval</b>			
<b>Short-term – cash bonus</b>			
	●		●
<b>Long-term – equity instruments</b>			
Performance Share Plan (PSP)	●		
Deferred Share Plan (DSP)			●
<b>Social and other benefits</b>			
Social contributions	●		●
Other benefits			●

### 2.3 Employment terms

The employment contracts of the executive members of the Board of Directors and the members of the Group Executive Committee are aligned with the provisions of the Ordinance Against Excessive Compensation in Stock Exchange Listed Companies (VegüV). In particular, none of these employment contracts has a term or notice period exceeding 12 months or contains any entitlements to severance payments.

### 2.4 Disclosure principles

The disclosed compensation of the Board of Directors and the Group Executive Committee comprises the compensation for the full reporting year, irrespective of which Schindler company paid it, subject to the following additions and limitations:

- The compensation paid to new members of the Board of Directors or the Group Executive Committee is included from the date on which the member takes over the relevant function
- If a member transfers from the Group Executive Committee to the Board of Directors, or vice versa, the full compensation is taken into account and reported under the new function
- If a member resigns from office and/or steps down from the Board of Directors or the Group Executive Committee, the compensation paid up to the date on which the member stepped down, plus any compensation paid in the reporting year in connection with his/her former activities, is included. Statutory compensation paid in the following year is reported separately under benefits for former members of governing bodies.

Compensation is reported according to the accrual principle, based on estimates. The actual amounts paid may differ from these estimates, especially in the case of social and other benefits.

### 3 Compensation system for the Board of Directors

#### 3.1 General remarks

The Board of Directors consists of executive and nonexecutive members. Four members of the Board of Directors are executive members.

- Silvio Napoli, Erich Ammann, and Orit Gadiesh form the Supervisory and Strategy Committee and receive fixed and variable compensation, as described in sections 3.2 and 3.3
- Tobias B. Staehelin holds an executive position at a Group company and receives fixed and variable compensation according to the compensation system of the Group company. At Group level, he receives compensation as a nonexecutive member of the Board of Directors.

#### 3.2 Fixed compensation

All members of the Board of Directors receive a fixed Board of Directors' fee as well as a flat-rate allowance. The members of the Compensation Committee and the Audit Committee receive an additional fee for their work in these committees.

The fixed compensation of the members of the Supervisory and Strategy Committee also comprises an annual salary, a representation allowance and a car allowance, as well as pension (pension fund, Schindler Foundation), social, and other benefits. Other benefits mainly comprise health insurance contributions. Fringe benefits are included in fixed compensation and are reported as other benefits if any single benefit exceeds CHF 500 and if total fringe benefits exceed CHF 20 000 in the reporting year.

#### 3.3 Variable compensation (Supervisory and Strategy Committee)

The members of the Supervisory and Strategy Committee receive performance-related variable compensation, which is paid partially in cash and partially in shares.

The amount of the variable compensation awarded is based on the Group's consolidated cash flow from operating activities (before changes in net working capital) and is determined as a rate per thousand of cash flow. The rate per thousand is set by the Board of Directors for each individual member of the Supervisory and Strategy Committee and may amount to a maximum of three per thousand. When determining the rate per thousand, the achievement of strategic as well as individual targets is taken into account.

Cash flow from operating activities is used as a parameter to measure performance in order to promote a long-term increase in the value of the Group rather than short-term profit maximization. This compensation system ensures, among other things, that restructuring projects are initiated as early as possible and that the associated depreciation and amortization and the corresponding provisions are recognized.

In April of the following year (grant year), 50% of variable compensation is paid in cash and 50% is paid in shares according to the rules of the Performance Share Plan.

### Performance Share Plan

The Board of Directors decides each year whether registered shares or participation certificates will be granted under the Performance Share Plan. For the reporting year, it decided to grant registered shares.

The granted shares include all of the associated rights but are blocked for a period of three years, during which they may not be disposed of.

The number of shares granted is calculated on the basis of the volume-weighted average price in March of the following year, less a discount. The Board of Directors decides at its sole discretion on the discount.

The number of shares disclosed in the reporting year is a provisional figure based on the closing share price on the last trading day in December of the reporting year, with the discount determined by the Board of Directors. For the reporting year, it decided to apply a discount of 20%. The final number is disclosed in the following year's Compensation Report.

In order to include them in the total compensation for the reporting year, the shares that are to be granted are valued at the closing share price on the last trading day in December (previous year: volume-weighted average price in December less 10%).

Provisional number of shares	=	50% of the performance-related bonus achieved	÷	Closing share price on the last trading day in December of the reporting year (less discount)
Value disclosed in Compensation Report	=	Closing share price on the last trading day in December of the reporting year	×	Provisional number of shares
Number of shares granted	=	50% of the performance-related bonus achieved	÷	Volume-weighted average share price in March of the following year (less discount)
Value disclosed in Compensation Report in the following year	=	Volume-weighted average share price in March of the grant year	×	Number of shares granted

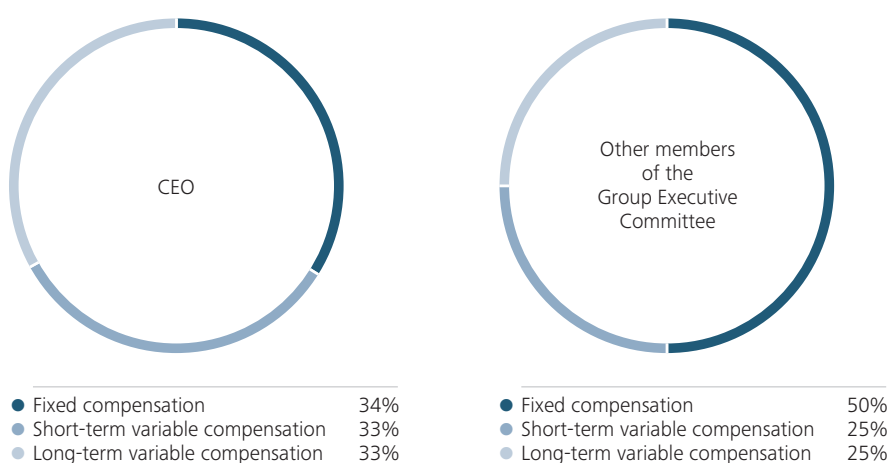
Benefits related to variable compensation such as social contributions are reported as social and other benefits.



#### 4 Compensation system for the Group Executive Committee

The compensation of the members of the Group Executive Committee consists of fixed, short-term variable and long-term variable compensation. The targeted split between these different compensation components is as follows for the CEO and other members of the Group Executive Committee (assuming 100% target achievement):

##### Targeted compensation split



##### 4.1 Fixed compensation

The fixed compensation of the members of the Group Executive Committee comprises an annual salary, a representation allowance and a car allowance, as well as pension (pension fund, Schindler Foundation), social, and other benefits. In individual cases – depending on the country in which a member of the Group Executive Committee is employed – a company car may be provided. Benefits may also be paid in the case of international assignments. Such benefits related to fixed compensation are reported under pension, social, and other benefits. Other benefits also comprise health insurance contributions. Fringe benefits are included in fixed compensation and are reported as other benefits if any single benefit exceeds CHF 500 and if total fringe benefits exceed CHF 20 000 in the reporting year.

## 4.2 Variable compensation

The members of the Group Executive Committee receive an annual performance-related cash bonus (short-term variable compensation component) and an annual grant of Performance Share Units (long-term variable compensation component) in accordance with the rules of the Deferred Share Plan 2015.

### Short-term variable compensation component

The annual performance-related cash bonus is calculated on the basis of the achievement of financial, strategic, and operational targets. The targets that need to be achieved, as well as the target bonus, are set at the start of the calendar year.

For the reporting year, 50% of the cash bonus was based on financial targets (growth, profitability, and net working capital) and 50% on personal strategic and operational targets. Depending on the extent to which the targets are achieved, the cash bonus awarded may be between 0% and 150% of the target bonus and is paid in April of the following year.

### Long-term variable compensation component

Under the Deferred Share Plan 2015, the members of the Group Executive Committee receive an annual grant of Performance Share Units as a long-term compensation component. The long-term incentive plan is designed to reward long-term value creation in line with the business strategy based on the following criteria:

	General description	Grant 2020
Plan	Deferred Share Plan 2015	
Vehicle	Performance Share Units (PSU) to be converted into registered shares or participation certificates	PSU to be converted into registered shares
Number of PSU granted	Contractual target amount divided by the volume-weighted average share price in March of the reporting year, less a discount. The Board of Directors decides at its sole discretion on the discount to be applied.	Share price: CHF 196.39 Discount: 20%
Performance targets	At the start of the reporting year, the performance targets that apply to all members of the Group Executive Committee are set for the next three business years. The achievement of those targets is determined after the end of the three-year period.	– Group revenue – Group EBIT – Strategic projects, incl. ESG targets
Grant year	Reporting year	2020
Performance period	Reporting year plus two years	2020–2022
Conversion date	In the year following the three-year performance period	30.4.2023
Conversion rate	0%–300%, depending on the extent to which the performance targets are achieved	to be determined in 2023
Cap	The maximum value of the converted shares that a participant may receive equals three times the contractual target amount. The market value of the shares at the time of conversion is used to calculate compliance with the cap.	
Forfeiture of conversion	In the event of any qualified breaches of the Code of Conduct, participants forfeit the right to have the PSU converted into shares.	

The number of PSU disclosed represents the number of registered shares that would be granted if the set targets are achieved (i.e. 100% achievement rate). In order to include them in total compensation, the PSU are valued at fair value. The fair value is calculated using the volume-weighted average price in March of the reporting year (grant), less the net present value of the expected dividends between the grant and the conversion of the PSU (previous year: volume-weighted average share price in March of the reporting year, less 10%).

Number of PSU granted	=	Contractual target amount	÷	Volume-weighted average share price in March of the reporting year (less discount)
Value disclosed in Compensation Report	=	PSU granted	×	Fair value
Number of shares granted (after 3 years)	=	PSU granted	×	Performance evaluation between 0% and 300%

Benefits related to variable compensation such as social contributions and taxes for international assignments are reported as social and other benefits.

## 5 Compensation for the reporting year

### 5.1 Board of Directors

In CHF 1 000	Fixed compensation		Variable compensation			Total 2020
	Cash (gross) <sup>7</sup>	Pension, social, and other benefits	Cash bonus (gross)	Registered shares	Social and other benefits	
Silvio Napoli, Chairman <sup>1</sup>	1 350	343	925	1 156	121	3 895
Alfred N. Schindler, Chairman emeritus <sup>2</sup>	358 <sup>8</sup>	18	–	–	–	376
Prof. Dr. Pius Baschera, Vice Chairman <sup>2</sup>	350 <sup>9</sup>	17	–	–	–	367
Erich Ammann <sup>3</sup>	736	229	575	719	75	2 334
Luc Bonnard <sup>2</sup>	350 <sup>10</sup>	17	–	–	–	367
Patrice Bula <sup>2</sup>	240 <sup>9</sup>	14	–	–	–	254
Prof. Dr. Monika Bütler <sup>2</sup>	240 <sup>11</sup>	14	–	–	–	254
Dr. Rudolf W. Fischer <sup>2</sup>	240 <sup>9</sup>	11	–	–	–	251
Orit Gadiesh <sup>4</sup>	518	148	325	406	104	1 501
Anthony Nightingale <sup>5</sup>	43	3	–	–	–	46
Tobias B. Staehelin <sup>6</sup>	452	236	108	30	88	914 <sup>12</sup>
Carole Vischer <sup>2</sup>	240 <sup>11</sup>	14	–	–	–	254
<b>Total compensation reported</b>	<b>5 117</b>	<b>1 064</b>	<b>1 933</b>	<b>2 311</b>	<b>388</b>	<b>10 813</b>

<sup>1</sup> Member of the Supervisory and Strategy Committee, employed on a full-time basis

<sup>2</sup> Nonexecutive member

<sup>3</sup> Member of the Supervisory and Strategy Committee, employed on a 75% basis

<sup>4</sup> Member of the Supervisory and Strategy Committee (since the General Meeting of Shareholders 2020), employed on a 60% basis

<sup>5</sup> Nonexecutive member until the General Meeting of Shareholders 2020

<sup>6</sup> Executive member with executive position at Group company level

<sup>7</sup> Including voluntary salary reduction of 10% for six months for the executive members as contribution to the Schindler COVID-19 Employee Relief Fund. The Fund provides financial support to employees and their families who are suffering from financial difficulties due to the COVID-19 pandemic.

<sup>8</sup> Represents total compensation received from the Schindler Group including fee for consulting services in the amount of CHF 153 000 (based on fixed daily fee and number of days actually worked)

<sup>9</sup> Including fee for work as member of the Compensation Committee or its Chairman

<sup>10</sup> Represents total compensation received from the Schindler Group including fee for consulting services in the amount of CHF 150 000 (based on fixed daily fee and number of days actually worked)

<sup>11</sup> Including fee for work as member of the Audit Committee

<sup>12</sup> Includes compensation for operational function as Managing Director of the C. Haushahn Group, Germany, and fee for the mandate as a member of the Board of Directors of a Group company

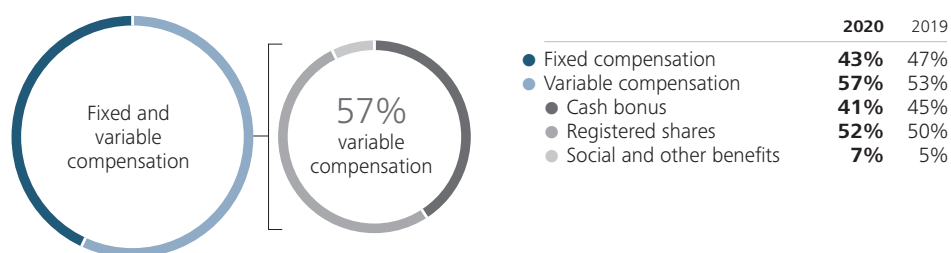
### Fees for members of the Board of Directors and committees of the Board

The Board of Directors' fees (including the flat-rate allowance) remain unchanged:

In CHF 1 000	
Chairman	400
Vice Chairman	300
Other members	200
Chairman Compensation Committee	50
Compensation Committee members	40
Audit Committee members	40

The Chairman of the Audit Committee does not receive an additional fee for his work in the Audit Committee in view of the compensation he receives as an executive member of the Board of Directors.

### Compensation of members of the Supervisory and Strategy Committee



The variable compensation reported is subject to the approval of the General Meeting of Shareholders.

In the reporting year, no collateral or guarantees were granted to members of the Board of Directors. Neither Schindler Holding Ltd. nor any other Group company waived any claims against members of the Board of Directors.

### Registered shares

	Number
Silvio Napoli, Chairman	4 850
Erich Ammann	3 015
Orit Gadiesh	1 704
Tobias B. Staehelin	126

The number of registered shares disclosed is a provisional figure based on the closing share price on the last trading day in December 2020, with a discount of 20%, resulting in a provisional grant value of CHF 190.72. The final number is reported in the following year's Compensation Report.

### Approved fixed compensation

In CHF 1 000

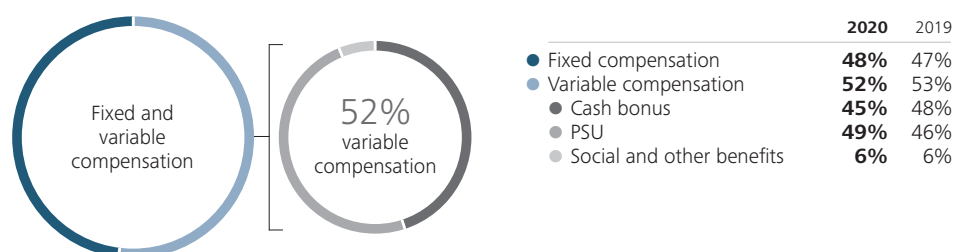
Approved by the General Meeting of Shareholders 2020	7 000
Actual fixed compensation 2020	6 181

## 5.2 Group Executive Committee

In CHF 1 000	Fixed compensation		Variable compensation			Total 2020
	Cash (gross) <sup>1</sup>	Pension, social, and other benefits	Cash bonus (gross)	Performance Share Units	Social and other benefits	
Total compensation	6 998	3 280	5 068	5 483	704	<b>21 533</b>
Highest individual compensation: Thomas Oetterli, CEO	1 051	219	1 323	1 333	154	<b>4 080</b>

<sup>1</sup> Including voluntary salary reduction of 10% for six months as contribution to the Schindler COVID-19 Employee Relief Fund. The Fund provides financial support to employees and their families who are suffering from financial difficulties due to the COVID-19 pandemic.

### Compensation of members of the Group Executive Committee (incl. CEO)



The highest individual variable compensation reached 221% of the fixed compensation (previous year: 227%).

The cash bonus awarded for 2020 reflects an average achievement factor of 107% based on the targets set for the year (previous year: 115%).

The variable compensation of the Group Executive Committee reported is subject to the approval of the General Meeting of Shareholders.

In April 2020, the PSU granted under the Deferred Share Plan 2015 for the performance period 2017–2019 were converted into registered shares at a conversion rate of 1.5.

In the reporting year, no collateral or guarantees were granted to members of the Group Executive Committee. Neither Schindler Holding Ltd. nor any other Group company waived any claims against the members of the Group Executive Committee.

### Performance Share Units granted

	Number
Total Group Executive Committee	30 105
Thomas Oetterli, CEO	7 320

## Value per Performance Share Unit

In CHF	Deferred Share Plan
Participation right	PSU on registered share
Volume-weighted average price in March 2020	196.39
Fair value for inclusion in variable compensation	182.12

## Approved fixed compensation

In CHF 1 000	
Approved by the General Meeting of Shareholders 2020	11 600
Actual fixed compensation 2020	10 278

## 6 Compensation for the previous year

### 6.1 Board of Directors

In CHF 1 000	Fixed compensation		Variable compensation			Total 2019
	Cash (gross)	Pension, social, and other benefits	Cash bonus (gross)	Registered shares	Social and other benefits	
Silvio Napoli, Chairman <sup>1</sup>	1 401	337	1 000	1 125	123	3 986
Alfred N. Schindler, Chairman emeritus <sup>2</sup>	353 <sup>6</sup>	18	–	–	–	371
Prof. Dr. Pius Baschera, Vice Chairman <sup>2</sup>	350 <sup>7</sup>	17	–	–	–	367
Erich Ammann <sup>3</sup>	760	229	628	706	77	2 400
Michael Nilles <sup>4</sup>	423	116	–	–	–	539
Luc Bonnard <sup>2</sup>	450 <sup>6</sup>	22	–	–	–	472
Patrice Bula <sup>2</sup>	240 <sup>7</sup>	14	–	–	–	254
Prof. Dr. Monika Bütler <sup>2</sup>	240 <sup>8</sup>	14	–	–	–	254
Dr. Rudolf W. Fischer <sup>2</sup>	240 <sup>7</sup>	11	–	–	–	251
Anthony Nightingale <sup>2</sup>	200	9	–	–	–	209
Tobias B. Staehelin <sup>5</sup>	462	237	110	27	93	929 <sup>9</sup>
Carole Vischer <sup>2</sup>	240 <sup>8</sup>	14	–	–	–	254
Total compensation reported	5 359	1 038	1 738	1 858	293	10 286
Total compensation to active members of the Board of Directors	4 936	922	1 738	1 858	293	9 747 <sup>10</sup>

<sup>1</sup> Member of the Supervisory and Strategy Committee, employed on a full-time basis

<sup>2</sup> Nonexecutive member

<sup>3</sup> Member of the Supervisory and Strategy Committee, employed on an 80% basis

<sup>4</sup> Member of the Supervisory and Strategy Committee (until the General Meeting of Shareholders 2019)

<sup>5</sup> Executive member with executive position at Group company level

<sup>6</sup> Including fee for consulting services (based on fixed daily fee and number of days actually worked)

<sup>7</sup> Including fee for work as member of the Compensation Committee or its Chairman

<sup>8</sup> Including fee for work as member of the Audit Committee

<sup>9</sup> Includes compensation for operational function as Managing Director of the C. Haushahn Group, Germany, as well as fee as a member of the Board of Directors of a Group company

<sup>10</sup> Represents compensation of all members of the Board of Directors in office at December 31, 2019

## Registered shares granted

	Registered shares
Silvio Napoli, Chairman	6 365
Erich Ammann	3 997
Tobias B. Staehelin	156

The final number of registered shares was calculated using a grant value of CHF 157.11, which corresponds to the volume-weighted average share price in March 2020, less 20%. The number disclosed in the previous year was based on a provisional value (volume-weighted average share price of registered shares in December 2019, less 20%, resulting in a provisional grant value of CHF 190.86).

## 6.2 Group Executive Committee

In CHF 1 000	Fixed compensation		Variable compensation			Total 2019
	Cash (gross)	Pension, social, and other benefits	Cash bonus (gross)	Performance Share Units	Social and other benefits	
Total compensation	7 097	2 815	5 438	5 232	644	21 226
Highest individual compensation: Thomas Oetterli, CEO	1 058	217	1 438	1 294	157	4 164

## Performance Share Units granted

	Number
Total Group Executive Committee	27 581
Thomas Oetterli, CEO	6 821



## **7 Benefits for former members of governing bodies**

Prof. Dr. Karl Hofstetter stepped down from the Board of Directors at the General Meeting of Shareholders 2018. Until end of June 2020, he continued to represent Schindler as Chairman of the Board of SwissHoldings. The compensation paid to him for this mandate in the reporting year amounted to CHF 175 000.

Carlos Guembe left the Group Executive Committee on December 31, 2019. He continued to work for the company on projects related to his former position. In the reporting year, he was paid a compensation of CHF 694 500 for these services.

No other compensation as defined in Article 14, para. 1, section 4 of the Ordinance Against Excessive Compensation in Stock Exchange Listed Companies (VegüV) was paid to former members of a governing body.

## **8 Loans and credits**

Article 34 of the Articles of Association of Schindler Holding Ltd. states that the Board of Directors may grant loans or credits to members of the Board of Directors or the Group Executive Committee. The total amount of these loans and credits must not exceed CHF 10 million and they may only be granted at market rates and subject to the applicable abstention rules.

### **8.1 Present and former members of governing bodies**

No loans or credits were granted by Schindler Holding Ltd. or any other Group company to present or former members of governing bodies, and no such loans were outstanding as of December 31, 2020.

### **8.2 Related parties**

No loans or credits were granted by Schindler Holding Ltd. or any other Group company to related parties of present or former members of governing bodies, and no such loans were outstanding as of December 31, 2020.

## 9 Proposals to the General Meeting of Shareholders 2021

The aggregate amounts of variable compensation for the reporting year 2020 and the aggregate amounts of fixed compensation for the financial year 2021 for the Board of Directors and for the Group Executive Committee will be proposed separately to the General Meeting of Shareholders in March 2021 for approval.

### 9.1 Variable compensation for 2020

The aggregate amount of variable compensation for the Board of Directors to be approved is CHF 4 632 000 (amount approved in 2020 for 2019: CHF 3 889 000).

On the basis of the lower financial results of Schindler in 2020, the individual variable compensation for the members of the Supervisory and Strategy Committee decreased in 2020 in comparison to 2019. In terms of overall variable compensation, this reduction was offset by the compensation to an additional member of the Supervisory and Strategy Committee as of the General Meeting of Shareholders 2020. Additionally, the value of the equity-based compensation for disclosure was changed to apply the market value (as opposed to a flat discount of 10% until 2019) which resulted in an additional increase in the disclosed variable compensation.

The aggregate amount of variable compensation for the Group Executive Committee to be approved is CHF 11 255 000 (amount approved in 2020 for 2019: CHF 11 314 000).

On the basis of the lower financial results of Schindler in 2020, the individual cash bonus amounts decreased on average by 7% in 2020 in comparison to 2019. In terms of overall variable compensation, this reduction was partially offset by the compensation to an additional member of the Group Executive Committee as of April 2020.

The aggregate amount of variable compensation to be approved for the Group Executive Committee includes an amount of CHF 5 483 000, representing the value of the Performance Share Units granted in 2020, assuming that the Group's targets set for 2022 are achieved (i.e., assuming a 100% conversion rate). In 2023, when the Performance Share Units will be converted into shares, the final conversion rate will vary between 0% and 300%, depending on (i) the company's performance in relation to the defined targets as well as (ii) the share price development over the three-year period. The maximum payout in shares is capped at CHF 14 190 000.

### 9.2 Fixed compensation for 2021

The aggregate amount of fixed compensation for the Board of Directors to be approved is CHF 7.0 million (amount approved in 2020: CHF 7.0 million).

The aggregate amount of fixed compensation for the Group Executive Committee to be approved is CHF 11.6 million (amount approved in 2020: CHF 11.6 million).

## 10 Levels of participation

The participations and option rights of members of the Board of Directors of Schindler Holding Ltd. and the Group Executive Committee, as well as related parties, are as follows (there are no conversion rights outstanding):

### 10.1 Board of Directors

#### 2020

As of 31.12.2020	Number registered shares
Silvio Napoli, Chairman <sup>1</sup>	65 226
Alfred N. Schindler, Chairman emeritus <sup>2</sup>	5
Prof. Dr. Pius Baschera, Vice Chairman <sup>2</sup>	3 000
Erich Ammann <sup>1</sup>	22 944
Luc Bonnard <sup>2</sup>	5
Patrice Bula <sup>2</sup>	1 500
Prof. Dr. Monika Bütler <sup>2</sup>	1 500
Dr. Rudolf W. Fischer <sup>2</sup>	13 400
Orit Gadiesh <sup>3</sup>	1 500
Tobias B. Staehelin <sup>4</sup>	5, 6
Carole Vischer <sup>2</sup>	5, 7

<sup>1</sup> Member of the Supervisory and Strategy Committee

<sup>2</sup> Nonexecutive member

<sup>3</sup> Member of the Supervisory and Strategy Committee (since the General Meeting of Shareholders 2020)

<sup>4</sup> Executive member at Group company level

<sup>5</sup> Alfred N. Schindler, Luc Bonnard, Tobias B. Staehelin, and Carole Vischer hold their registered shares of Schindler Holding Ltd. under a shareholder agreement. Together with related parties, they held a total of 47 208 588 shares as of December 31, 2020, corresponding to 70.4% of the voting rights of the share capital entered in the Commercial Register.

<sup>6</sup> In addition, a related party (not a member of the shareholder agreement) holds 10 registered shares

<sup>7</sup> In addition, a related party (not a member of the shareholder agreement) holds 110 registered shares

#### 2019

As of 31.12.2019	Number	
	Registered shares	Options
Silvio Napoli, Chairman <sup>1</sup>	58 861	–
Alfred N. Schindler, Chairman emeritus <sup>2</sup>	4	–
Prof. Dr. Pius Baschera, Vice Chairman <sup>2</sup>	3 000	–
Erich Ammann <sup>1</sup>	31 982	–
Luc Bonnard <sup>2</sup>	4	–
Patrice Bula <sup>2</sup>	1 500	–
Prof. Dr. Monika Bütler <sup>2</sup>	1 500	–
Dr. Rudolf W. Fischer <sup>2</sup>	20 091	3 171 <sup>5</sup>
Anthony Nightingale <sup>2</sup>	3 000	–
Tobias B. Staehelin <sup>3</sup>	4, 6	–
Carole Vischer <sup>2</sup>	4, 7	–

<sup>1</sup> Member of the Supervisory and Strategy Committee

<sup>2</sup> Nonexecutive member

<sup>3</sup> Executive member at Group company level

<sup>4</sup> Alfred N. Schindler, Luc Bonnard, Tobias B. Staehelin, and Carole Vischer hold their registered shares of Schindler Holding Ltd. under a shareholder agreement. Together with related parties, they held a total of 47 631 495 shares as of December 31, 2019, corresponding to 71.0% of the voting rights of the share capital entered in the Commercial Register.

<sup>5</sup> Fully vested options on registered shares granted under the Capital Participation Plan 2000 (option plan grant 2013)

<sup>6</sup> In addition, a related party (not a member of the shareholder agreement) holds 10 registered shares

<sup>7</sup> In addition, a related party (not a member of the shareholder agreement) holds 57 registered shares

## 10.2 Group Executive Committee

### 2020

As of 31.12.2020	Number		
	Registered shares	Participation certificates	Options <sup>1</sup>
Thomas Oetterli, CEO	46 407	1 307	–
David Clymo	7 011	–	–
Urs Scheidegger	3 080	8 000	–
Julio Arce	2 980	–	–
Matteo Attrovio	1 420	–	–
Karl-Heinz Bauer	9 235	–	–
Paolo Compagna	11 153	284	–
Andre Inserra	6 279	–	–
Jujudhan Jena	5 872	1 761	770
Christian Schulz	9 881	1 959 <sup>2</sup>	252
Robert Seakins	36	–	–
Egbert Weisshaar	7 586	–	–
Daryoush Ziai	3 219	–	–

<sup>1</sup> Fully vested options on registered shares granted under the Capital Participation Plans 2000/2003 (option plan grant 2013)

<sup>2</sup> Sale of 2 000 call options on participation certificates, exercise price CHF 275.00, expiry February 2021

### 2019

As of 31.12.2019	Number		
	Registered shares	Participation certificates	Options <sup>1</sup>
Thomas Oetterli, CEO	36 607	1 307	–
David Clymo	7 424	–	–
Urs Scheidegger	4 167	8 000	–
Julio Arce	1 754	–	–
Karl-Heinz Bauer	6 295	–	–
Paolo Compagna	9 128	284	–
Carlos Guembe	2 915	–	–
Andre Inserra	5 361	–	–
Christian Schulz	7 187	1 959	252
Robert Seakins	196	–	210
Egbert Weisshaar	5 340	–	–
Daryoush Ziai	3 025	–	–

<sup>1</sup> Fully vested options on registered shares granted under the Capital Participation Plans 2000/2003 (option plan grant 2013)

Information on the conditions that apply to options of the Capital Participation Plans is provided in note 6.3 to the consolidated financial statements.

## Report of the statutory auditor to the General Meeting of Schindler Holding Ltd., Hergiswil

We have audited the compensation report of Schindler Holding Ltd. for the year ended 31 December 2020. The audit was limited to the information according to articles 14 to 16 of the Ordinance against Excessive Compensation in Stock Exchange Listed Companies (Ordinance) contained in sections 5 to 8 and 10 on pages 119 to 124 and 126f of the compensation report.

### Board of Directors' responsibility

The Board of Directors is responsible for the preparation and overall fair presentation of the compensation report in accordance with Swiss law and the Ordinance. The Board of Directors is also responsible for designing the compensation system and defining individual compensation packages.

### Auditor's responsibility

Our responsibility is to express an opinion on the compensation report. We conducted our audit in accordance with Swiss Auditing Standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the compensation report complies with Swiss law and articles 14 to 16 of the Ordinance.

An audit involves performing procedures to obtain audit evidence on the disclosures made in the compensation report with regard to compensation, loans and credits in accordance with articles 14 to 16 of the Ordinance. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatements in the compensation report, whether due to fraud or error. This audit also includes evaluating the reasonableness of the methods applied to value components of compensation, as well as assessing the overall presentation of the compensation report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Opinion

In our opinion, the compensation report of Schindler Holding Ltd. for the year ended 31 December 2020 complies with Swiss law and articles 14 to 16 of the Ordinance.

PricewaterhouseCoopers AG

René Rausenberger  
Audit expert  
Auditor in charge

Philipp Gnädinger  
Audit expert

Zurich, 16 February 2021